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16 December 1980

OS REGISTRY  
FILE

MEMORANDUM FOR: SA to the DCI for Compartmentation

FROM:

[REDACTED]  
Deputy Chief, APEX Control Staff

SUBJECT: APEX Steering Group Meeting, 16 December 1980

1. The 48th meeting of the APEX Steering Group met on 16 December 1980. The following attended:

ACS	[REDACTED]	Chairman
CIA		
Navy	G. L. Berkin	
State	Donald Stigers	
DIA	[REDACTED]	
SIGINT		
Army	Merrill T. Kelly	
NSA	[REDACTED]	
COMIREX		
OSD	Maynard Anderson	
DIA	[REDACTED]	
Army	Major William Poage	
RMS	[REDACTED]	
AF	Colonel Robert Shiver	

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2. Following the taking of the class photograph, the meeting convened at 10:10. The Chairman announced that the APEX Control Staff will rewrite the issue papers received and attempt to present the issues in a manner permitting a choice of options for their resolution. The DCI has indicated that there will be an NFIB meeting on 15 January 1981 to consider the issues. The rewritten issue papers will be circulated to Steering Group members to determine if anyone has a serious problem with the way the questions are presented. There will not be an attempt to coordinate the papers. The APEX Control Staff will make recommendations to the DCI on the options, and Steering Group members will be

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expected to make independent recommendations to their principals prior to the NFIB meeting. The Chairman also announced that a paper is being prepared requesting exemptions from ISOO requirements for portion marking. The exemption will apply to all SCI material prepared by contractors in industrial facilities. Col. Picinich asked whether there would be a request for exemption from the inventory and document control provisions. Mr. Anderson suggested that such requests should be on an agency-by-agency basis, and he indicated that he opposes such exemptions on the grounds that stringent document control is a positive security measure. The Chairman announced that the Steering Group will meet next week and will not meet again until the 6th of January 1981. ☐

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25X1 3. ☐ was asked to discuss the contractor-raised question of the responsibilities of DIS (former DCAS) for decompartmented material held in SCI facilities. Mr. Anderson responded that a properly executed Form DD 254 should preclude any problems of this sort. He indicated that the current working relationships between the regular DoD industrial security inspectors and the compartmented program operators should continue without disruption under the APEX System. He committed himself to contact the DoD industrial security officials and ensure that there is no foreseeable problem. ☐

25X1 4. The two optional papers for third party policy, originated by Working Group #5, were handed out. Although there was general agreement that the "optional" draft was the more desirable of the two, a change in the text was made to indicate that exposure to APEX System materials must "support the national interests of the U.S." The paper was adopted on that basis, and ☐ proposed that it be passed to the NFIB for "noting." It was finally decided that both the third party paper and the paper proscribing the use of operational information in finished product be held until the APEX Manual is revised. The Manual revision in toto will be sent to NFIB to be noted. ☐

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25X1 5. A list of the eight defined APEX issues, which will be prepared for NFIB decision by the APEX Control Staff, was handed out. Mr. ☐ pointed out that the issue of simplicity was not taken up because he did not know how to do it. Mr. Kelly said Gen. Thompson is considering the possibility of resubmission of the Army's issue paper on COMINT, and a decision should be reached shortly. The Chairman then invited a brief discussion of each of the issues. Col. Shiver indicated that the Air Force would support Issue #1, except that it does not go far enough. The Air Force favors no compartmentation of Imagery on the basis of NIIRS ratings. ☐ indicated that NSA also supports Issue #1. ☐

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6. Issue #2 was amended to insert the term "SCI" before "code-words." Issue #3 picked up the additional support of both Air Force and Army. A discussion of the impossibility of measuring the cost effectiveness of security followed. [ ] requested that the phrase "for an indefinite period" be inserted in Issue #4 because NSA considers that transition of several months may be acceptable but an open-ended transition lasting several years is not. [ ]

7. [ ] requested that Issue #5 be understood to require a specific paper on the legal sufficiency of the Nda signed by a responsible legal officer. Mr. Anderson responded that the Nda is an issue of law and that no government attorney can decide its sufficiency until it has been tried in a court of law. [ ] advised that NSA's association with Issue #5 involves problems of structure and procedure, and he will have input on this matter later. There was no comment on Issue #6. The discussion of Issue #7 involved indications of support by Air Force and Army. [ ] once again stated his fervent desire for a counterintelligence survey of the existing and proposed systems. Mr. Kelly stated that APEX is absolutely more complex than the current systems, and the only question is whether it has to be. [ ] suggested that the complexity of APEX springs primarily from the complexity of existing systems and from the lack of fundamental change in those systems under APEX. Issue #7 was amended to delete the word "especially" and insert in its place, "including." Also inserted was the word "current" as the second word in the statement of Issue #7. [ ]

8. Regarding Issue #8, [ ] declared that uniform security rules result in minimal security because some agencies are not willing to "pay the freight." [ ] stated that NSA wants the DCI to be the DCI--not the DIRNSA or the DNI, etc. NSA has no difficulty with a single uniform security system consistent with the National Security Act, E.O. 12036, etc., to lay out policy, but not trying to set rules to force mismatched systems into uniformity. NSA assumes we have been under a single system for years. The system manual should bring together uniform doctrine and policy, not take the satellite imagery mold and try to force COMINT into that mold. Mr. Anderson said that issues have been reviewed repeatedly in the SECOM and that NSA will accept nothing but minimal standards, while the DoD agencies will accept only uniform standards. [ ] replied that the SECOM is not involved in SIGINT because that is under the purview of the SIGINT Committee. Mr. Anderson suggested that the DCIDs chartering the Security Committee and the other committees have considerable overlap. [ ] responded that the DIRNSA is charged, under E.O. 12036, with the security of COMINT and that uniform rules hobble and control him. Mr. Anderson said E.O. 12036 says that the DCI will establish common security standards. The discussion concluded with [ ] saying that NSA wishes to reserve its position on Issue #8. [ ]

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25X1 9. [ ] pointed out that he anticipates a visit from the House Appropriations Committee Surveys and Investigation team and asked what he should discuss with them. [ ] responded that the CIA Legislative Counsel has cautioned against discussing unresolved issues with representatives of the Legislative Branch for fear that such discussions might foreclose options to the Executive Branch agencies. Col. Picinich related that DIA's session with HAC S&I team included a discussion of issues only in broad, general terms and without any substantive detail. Mr. Anderson reminded the members that the House Committees did not change as a result of the recent elections, and they are proceeding with business as usual. [ ]

25X1 10. [ ] asked whether it would be possible to attempt to advance the adoption of the COMINT Manual and the IMAGERY Manual separately from the APEX issue. [ ] responded that it is unlikely that this can be done before the 20th of January but suggested that the members be conscious of the 4C System and other aspects of APEX which might be achievable and which seem to have general support. The members were urged to have their principals support those aspects of APEX which are acceptable to the Community, rather than run the risk of having them thrown out with the items they oppose. [ ]

11. The meeting adjourned at 11:55. [ ]

25X1 SA/DCI/C [ ] cah (17 Dec 1980)

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